

October 8, 2010

UTAH DISTRICT NEWSLETTER

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Save the Date:

October 20, 2010
How to Form a LLC Workshop
Offered by SCORE
111 East Broadway 11th Floor
Salt Lake City, UT
5:30 pm to 8:00 pm
Contact (801) 524-6831

October 21, 2010
Salt Lake SCORE Workshop
Salt Lake County Building Complex
Salt Lake City, UT
(801) 746-2269

October 25, 2010
8(a) Orientation—SBA Office
125 South State Street, 2nd floor
Salt Lake City, UT
10:00 am to 11:30 am
Contact: (801) 524-6831

Helping small businesses
start, grow and succeed.



Your Small Business Resource



Stan Nakano
District Director

Breaking Through the Barriers

For each of us, the 'Great Recession' of 2007-2010 has meant different things. For most of us, it has meant tightening our belts, and being more careful about what we spend our money on. For small business owners, it has meant this and much, much more. At times, the small business community has felt both taken for granted and even neglected as the recession has exacted a painful price on those

who produce and sell goods and services for our benefit.

With the passage and signing of the Small Business Jobs Act of 2010, the federal government has taken the next step in providing help to small businesses across the nation, including Utah. This new legislation will help provide small companies with access to new lending capital, and will resume the higher guarantee percentages and the elimination of SBA borrower fees first introduced in the American Recovery and Reinvestment Act of February 2007. The new Jobs Act also creates added tax and capital investment incentives, and a host of other provisions designed to help small businesses break through the financial barriers of economic recession.

Even in the best of times, starting and operating a business is replete with many challenges. When the economic winds of change produce strong headwinds, these challenges can be greatly magnified. During such difficult times, the barriers small business owners are called upon to endure may not be overcome. The Small Business Jobs Act of 2010 provides just such a helping hand on a variety of fronts. I encourage all interested business owners to review the basic provisions of the new law within this edition of our newsletter, and to take advantage of its provisions wherever possible.

It's time for all Utah small businesses to break through the recession barrier and put Utah back to work.



Fact Sheet

PRESS OFFICE

Small Business Jobs Act of 2010

The Small Business Jobs Act, signed by President Obama on September 27, will provide critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extends the successful SBA Recovery loans while offering billions more in lending support and tax breaks for entrepreneurs and small business owners.

New Law Puts More Capital in the Hands of Entrepreneurs and Small Business Owners

Recovery Act Loans Extension – \$14 billion more in lending support

The law will extend SBA Recovery loans (with the 90% guarantee and reduced fees) through December 31, 2010.

The \$505 million for Recovery loans in this new law will support about \$14 billion in overall small business lending. More than 1,400 small businesses that have been in a queue waiting for this bill to become law will be funded in a matter of days.

Since passage of the Recovery Act, SBA has supported nearly 70,000 Recovery loans, turning \$680 million in taxpayer dollars into more than \$30 billion in lending support.

Higher Loan Limits – significantly increases maximum loan sizes in top loan programs

The law will permanently increase 7(a) and 504 limits from \$2 million to \$5 million (for manufacturers in 504 loan program, up to \$5.5 million).

The law will permanently increase microloan limits from \$35,000 to \$50,000, helping larger entrepreneurs with start-up costs and small business owners in underserved communities.

Alternative Size Standards – more small businesses eligible to get SBA loans

The law expands the number of businesses eligible for SBA loans by increasing the alternate size standard to those small businesses with less than \$15 million in net worth and \$5 million in average net income.

Temporary Enhancements to Help with Working Capital, Commercial Real Estate Refinancing

The law will increase maximum amount of SBA Express loans from \$350,000 to \$1 million (expires 9/27/2011).

The law will allow some small businesses to refinance their owner-occupied commercial real estate mortgages into the 504 loan program (expires 9/27/2012).

Dealer Floor Plan Pilot Extension, Expansion

The pilot program (begun 2009) will be extended to 2013.

After the \$5-million loan limit is implemented, this will help even more small businesses owners who sell cars, RVs, boats, other titleable inventory.

Small Business Intermediary Lending Pilot

The law provides funding for up to \$20 million per year in small business loans over the next three years for an intermediary-facilitated loan program targeting small businesses that need loans up to \$200,000.

New Law Strengthens Small Businesses' Ability to Compete for Contracts, Including Recommendations from the President's Task Force on Federal Contracting Opportunities for Small Business

Equal Treatment across Federal Contracting Programs

The law reaffirms "parity" among federal small business contracting programs. Contracting officers will be free to choose among businesses owned by women and service-disabled veterans, as well as those participating in HUBZone and 8(a) programs, and soon the women's contracting program when conducting contracts that are set-aside for small business.

Better Playing Field for Small Businesses – more accountability, integrity, transparency

The law gives agency procurement officers more ability to provide both large prime contracts and microcontracts to small businesses. The law makes it harder for agencies to “bundle” contracts, a practice that often takes opportunities away from small business. The law also has stronger enforcement so agencies will be held more accountable for reaching small business goals.

The law enforces stronger subcontracting plan requirements for large prime contractors to ensure small businesses are utilized in subcontracting. It also discourages late payments to small subcontractors.

The law enforces SBA's continuing efforts to combat fraud, waste, and abuse. Federal agencies, including the Department of Justice, will have more ability to vigorously pursue companies that win contracts by misrepresenting their small business status.

Small Business Teaming Opportunities

The law provides \$25 million for a new pilot that provides grants that will help small businesses team up with each other to compete for larger and more complex federal government contracts.

New Law Promotes Small Business Exporting, Building on the President's National Export Initiative

Export Express Pilot Becomes Permanent

The law turns the Export Express pilot loan program into a permanent program with 90% guarantees for loans up to \$350,000 and 75% for loans between \$350,000 and \$500,000.

State Trade and Export Promotion Grants Pilot

The law provides \$90 million in competitive grants over next three years for states to help small business owners with exporting.

Increased Staff and Strengthened Export Counseling Resources.

Law Expands Training and Counseling:

Major Investment in Counseling and Training

The law provides \$50 million in grants available to Small Business Development Centers.

More Opportunities in Export Counseling (see above)

New Law Provides \$12 Billion in Tax Relief to Help Small Businesses Invest in their Firms, Create Jobs

Extension, Expansion of Tax Cuts – 8 Tax Cuts

The highest small business expensing limit ever, of \$500,000

Carry-back provisions on net operating losses of up to 5 years

Accelerated/bonus depreciation

Zero capital gains taxes for those who invest in small businesses

Increased deductions for start-ups

Deductions for employer-provided cell phones

Deductions for health insurance costs for the self-employed

Limitations on penalties for errors in tax reporting that disproportionately affect small business

Beyond SBA:

Small Business Lending Fund – \$30 billion (administered by Treasury)

The law will provide smaller community banks with low cost capital (as low as 1%) if they go above and beyond 2009 small business lending levels.

Establishes State Small Business Credit Initiative (administered by Treasury)

The law will provide up to \$1.5 billion to States to support state run small business lending programs.

Below you will find a link to the 2011 Nomination Guidelines for SBA's National Small Business Week. Please review the guidelines and nominate your favorite small business or small business champion. All nominations are due in the Utah District Office **no later than Friday, November 12, 2010**. If you have questions, please feel free to contact Georgia at Georgia.yoshida@sba.gov.

2011 National Small Business Week Award Nominations

[Click Here](#) for the "Nomination Guidelines"

Save the Date

National Small Business Week 2011
May 16th - 20th
Washington DC - Mandarin Oriental Hotel

| LENDER | September Loan Numbers | September Total Dollars | YTD Loan Numbers | YTD Dollars |
|---|---------------------------|----------------------------|---------------------|--------------|
| 1ST BANK | 1 | \$35,000 | 3 | \$275,000 |
| ALLIANCE COMMUNITY FCU | 3 | \$161,200 | 15 | \$1,530,500 |
| AMERICA FIRST FCU | 2 | \$38,000 | 53 | \$1,657,000 |
| AMERICAN BANK OF COMMERCE D/B/A AMBANK | 0 | 0 | 9 | \$5,856,900 |
| AMERICAN BANK OF THE NORTH | 0 | 0 | 3 | \$3,290,000 |
| BANCFIRST | 0 | 0 | 1 | \$150,000 |
| BANK OF AMERICAN FORK | 0 | 0 | 13 | \$2,867,000 |
| BANK OF UTAH | 2 | \$70,000 | 16 | \$4,673,300 |
| BARNES BANKING COMPANY | 0 | 0 | 1 | \$35,000 |
| BEEHIVE CU | 0 | 0 | 16 | \$477,000 |
| BRIGHTON BANK | 0 | 0 | 11 | \$579,000 |
| CACHE VALLEY BANK | 2 | \$405,000 | 9 | \$1,175,000 |
| CAPITAL COMMUNITY BANK | 0 | 0 | 7 | \$709,000 |
| CELTIC BANK CORPORATION | 2 | \$1,800,000 | 34 | \$19,935,000 |
| CENNTENNIAL BANK | 0 | 0 | 2 | \$376,900 |
| CENTRAL BANK | 4 | \$126,200 | 26 | \$1,939,700 |
| CHARTWAY FCU | 1 | \$11,500 | 18 | \$972,400 |
| COMMUNITY W. BANK NATL ASSOC | 0 | 0 | 1 | \$440,000 |
| COMPASS BANK | 0 | 0 | 1 | \$66,000 |
| CYPRUS FCU | 2 | \$69,500 | 17 | \$1,538,700 |
| D.L. EVANS BANK | 0 | 0 | 1 | \$35,000 |
| EXCEL NATIONAL BANK | 0 | 0 | 1 | \$618,200 |
| FIRST BANK & TRUST CO. | 0 | 0 | 1 | \$120,000 |
| FIRST UTAH BANK | 0 | 0 | 8 | \$863,200 |
| FRONTIER BANK, FSB | 0 | 0 | 1 | \$161,000 |
| GOLDENWEST FCU | 0 | 0 | 18 | \$946,000 |
| GRAND VALLEY BANK | 0 | 0 | 2 | \$1,020,00 |
| GRANITE FCU | 0 | 0 | 6 | \$355,200 |
| HORIZON UTAH FCU D/B/A HORIZON CU | 1 | \$30,000 | 4 | \$164,500 |
| JORDAN FCU | 1 | \$5,000 | 14 | \$380,000 |
| JPMORGAN CHASE BANK, NATIONAL ASSOCIATION | 10 | \$917,900 | 77 | \$17,116,200 |
| KEYBANK NATIONAL ASSOCIATION | 3 | \$2,227,900 | 24 | \$4,343,400 |
| LEWISTON STATE BANK | 0 | 0 | 1 | \$25,000 |
| LIBERTY BANK, INC. | 0 | 0 | 2 | \$650,000 |
| LIVE OAK BANKING COMPANY | 1 | \$870,000 | 11 | \$6,057,000 |
| MEADOWS BANK | 1 | \$50,000 | 5 | \$2,539,400 |
| MOUNTAIN AMERICA FCU | 15 | \$785,200 | 187 | \$9,439,800 |
| MOUNTAIN WEST SMALL BUSINESS FINANCE | 26 | \$19,043,000 | 156 | \$76,919,000 |
| NATIONAL BANK OF ARIZONA | 2 | \$70,000 | 4 | \$120,000 |
| NEVADA COMMERCE BANK | 0 | 0 | 4 | \$1,322,500 |
| NUMERICA CU | 0 | 0 | 1 | \$35,000 |
| PRIME ALLIANCE BANK | 0 | 0 | 3 | \$1,433,500 |
| PROFICIO BANK | 1 | \$1,200,000 | 2 | \$1,445,000 |
| SPIRIT OF TEXAS BANK, SSB | 0 | 0 | 1 | \$163,000 |
| STATE BANK OF SOUTHERN UTAH | 4 | \$140,000 | 74 | \$6,662,500 |
| SUNFIRST BANK | 0 | 0 | 2 | \$265,000 |
| SUPERIOR FINANCIAL GROUP, LLC | 0 | 0 | 17 | \$172,500 |
| THE FIRST NATIONAL BANK OF LAYTON | 0 | 0 | 8 | \$3,135,600 |

| LENDER | September Loan Numbers | September Total Dollars | YTD Loan Numbers | YTD Dollars |
|--|---------------------------|----------------------------|---------------------|----------------------|
| THUNDER BANK | 0 | 0 | 1 | \$33,800 |
| U.S. BANK NATIONAL ASSOCIATION | 3 | \$287,000 | 33 | \$4,322,700 |
| UNITED CENTRAL BANK | 0 | 0 | 1 | \$700,000 |
| UNITED MIDWEST SAVINGS | 0 | 0 | 1 | \$1,400,000 |
| UNIVERSITY FIRST FCU | 4 | \$879,000 | 24 | \$3,650,500 |
| USU CHARTER FCU | 0 | 0 | 2 | \$90,000 |
| UTAH CERTIFIED DEVELOPMENT COMPANY | 3 | \$937,000 | 56 | \$19,720,000 |
| UTAH COMMUNITY FCU | 3 | \$37,100 | 3 | \$37,100 |
| UTAH FIRST FCU | 1 | \$50,000 | 12 | \$495,000 |
| VECTRA BANK COLORADO NATL ASSOC | 0 | 0 | 1 | \$10,000 |
| WELLS FARGO BANK, NATIONAL ASSOCIATION | 6 | \$630,200 | 54 | \$13,329,900 |
| WILSHIRE STATE BANK | 0 | 0 | 1 | \$1,136,000 |
| ZIONS FIRST NATIONAL BANK | 44 | \$3,143,400 | 597 | \$48,742,200 |
| TOTALS | 148 | \$34,013,100 | 1677 | \$278,658,100 |